

CASE NO: 09-10332

FROM: OCTOBER 1, 2009

TO: OCTOBER 31, 2009

I certify under penalty of perjury that the information contained in the attached Monthly Status Report consisting of 3 pages (including exhibits and attachments) is true and correct to the best of my knowledge and belief.

Dated:

Debtor Representative

I certify that I have reviewed the information contained in the attached Monthly Status Report consisting of _____ pages and based on my knowledge of this case and the debtor's financial and business affairs, this Monthly Status Report is accurate, complete, and does not contain any misrepresentation of which I am aware. I further certify that this report has been served on all parties as required by law or court order.

Dated:

Attorney for Debtor

NARRATIVE ON PROGRESS OF CASE:

PAYMENTS TO SECURED CREDITORS

☐ No Secured Debt

☒ No Secured Debt Payments Made During Reporting Period

☐ All Secured Debt Payments Made During Reporting Period Are Listed Below:

| CREDITOR | COLLATERAL | DATE OF PAYMENT | AMOUNT |
|----------|------------|-----------------|--------|
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | AMOUNT | \$ |

PAYMENTS ON PRE-PETITION DEBT

☒ No payments have been made on pre-petition unsecured debt during the reporting period.

☐ All payments made on pre-petition unsecured debt during reporting period are listed below:

| CREDITOR | COLLATERAL | DATE OF PAYMENT | AMOUNT |
|----------|------------|-----------------|--------|
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

CASH RECEIPTS AND DISBURSEMENTS

BEGINNING CASH POSITION is the same figure as the **ENDING CASH POSITION** of prior month.

BEGINNING CASH POSITION

DATE: 10-1-2009 AMOUNT: \$ 3155.82

| CASH RECEIPTS | AMOUNT | CASH DISBURSEMENTS | AMOUNT |
|---------------------|-----------|----------------------------|-----------|
| Description | | Description | |
| RECEIPTS | 39,627.08 | | |
| LOAN FROM V. HCVF | 5000.00 | Inventory Purchased | 1785.68 |
| | | Salaries/Wages | 20,009.39 |
| | | Taxes (Total) | 8,494.67 |
| | | Insurance (Total) | 1163.80 |
| | | Unsecured Loan Payments | |
| | | Utilities (Total) | 6972.22 |
| | | Rent | |
| | | Professional Fee RESNEXUS | 285.06 |
| | | NC DENR | 150.00 |
| | | Maintenance/Repair | |
| | | Maintenance/Repair | 1628.87 |
| | | OTHER DISBURSEMENTS (List) | |
| | | MOIK) | 333.08 |
| | | CREDIT CARD/BANK FEES | 1251.25 |
| | | GOOGLE ADWORDS | 1140.34 |
| | | MASSAGE THERAPISTS | 525.00 |
| | | HOUSEKEEPING SUPPLIES | 779.30 |
| | | TIPPING FEES | 613.89 |
| | | MISC | 96.61 |
| | | PLUS NINEN | 236.99 |
| TOTAL CASH RECEIPTS | 44,627.08 | TOTAL DISBURSEMENTS | 45,466.09 |

ENDING CASH POSITION

DATE: 10-31-09 AMOUNT: \$ (3994.83)

BANK ACCOUNTS

ALL BANK STATEMENTS MUST BE ATTACHED
FOR EACH ACCOUNT. PLEASE REPRODUCE THIS PAGE
AND COMPLETE A SEPARATE PAGE FOR EACH ACCOUNT.
ATTACH BANK STATEMENT TO CORRESPONDING PAGE.

Name of Bank: SUNTRUST BANK
Address: P.O. Box 622227
Street and/or P. O. Box Number
ORLANDO FL 32862-2227
City State Zip Code

Type of Account:
(i.e., Payroll, Tax, Operating): TAX

Account Number: 10000 944 3284

DATE PERIOD BEGINS: 10-1-2009

Ending Balance (per the attached
bank statement for this period) \$ 3316.96

Outstanding Deposits and Other
Credits Not On Statement \$ 0

Outstanding Checks and Other
Debits Not On Statement \$ 0

Ending Reconciled Balance* \$ 3316.96

DATE PERIOD ENDS: 10-31-2009

Highest Daily Balance
During Above Period \$ 4871.11

* The sum of the ending balances of all accounts must reconcile with the Ending Cash Position on the Cash Receipts and Disbursements page.

11/11/09 at 13:04:57.99

The Hammocks, Inc. LLC
Account Reconciliation
As of Oct 31, 2009
000-1007 - SUNTRUST-TAX D/I/P
Bank Statement Date: October 31, 2009

| | |
|------------------------------|------------|
| Beginning GL Balance | 212.38 |
| Add: Cash Receipts | |
| Less: Cash Disbursements | (5,437.62) |
| Add (Less) Other | 8,542.20 |
| Ending GL Balance | 3,316.96 |
| Ending Bank Balance | 3,316.96 |
| Add back deposits in transit | |
| Total deposits in transit | |
| (Less) outstanding checks | |
| Total outstanding checks | |
| Add (Less) Other | |
| Total other | |
| Unreconciled difference | 0.00 |
| Ending GL Balance | 3,316.96 |

SUNTRUST BANK
P O BOX 622227
ORLANDO FL 32862-2227

Page 1 of 3
36/E00/0175/0 /64
1000094493284
10/31/2009



Account Statement



THE HAMMOCKS LLC DIP
TAX ESCROW ACCOUNT
CASE 09 10332
87 RICHMOND HILL DR
ASHEVILLE NC 28806-3912

Questions? Please call
1-800-786-8787

THANK YOU FOR BANKING WITH SUNTRUST. TO LEARN MORE ABOUT HOW SUNTRUST CAN MEET YOUR FINANCIAL SERVICES NEEDS, PLEASE VISIT OUR WEB SITE AT WWW.SUNTRUST.COM

| Account Summary | Account Type | Account Number | Statement Period |
|-----------------|------------------------|----------------|-------------------------|
| | FREE BUSINESS CHECKING | 1000094493284 | 10/01/2009 - 10/31/2009 |

| Description | Amount | Description | Amount |
|--------------------|------------|------------------------------------|------------|
| Beginning Balance | \$212.38 | Average Balance | \$1,686.91 |
| Deposits/Credits | \$8,542.20 | Average Collected Balance | \$1,686.91 |
| Checks | \$1,554.15 | Number of Days in Statement Period | 31 |
| Withdrawals/Debits | \$3,883.47 | | |
| Ending Balance | \$3,316.96 | | |

| Deposits/Credits | Date | Amount | Serial # | Description |
|------------------|-------|----------|----------|---|
| | 10/13 | 2,800.00 | | ONLINE BANKING TRANSFER FROM 0175 1000094493276 |
| | 10/14 | 1,131.00 | | ONLINE BANKING TRANSFER FROM 0175 1000094493276 |
| | 10/20 | 4,611.20 | | ONLINE BANKING TRANSFER FROM 0175 1000094493276 |

Deposits/Credits: 3

Total Items Deposited: 0

| Checks | Check Number | Amount | Date Paid | Check Number | Amount | Date Paid | Check Number | Amount | Date Paid |
|--------|--------------|----------|-----------|--------------|--------|-----------|--------------|--------|-----------|
| | 1013 | 1,554.15 | 10/22 | | | | | | |

Checks: 1

| Withdrawals/Debits | Date Paid | Amount | Serial # | Description |
|--------------------|-----------|----------|----------|---|
| | 10/14 | 25.51 | | ELECTRONIC/ACH DEBIT IRS USATAXPYMT 270968700259703 |
| | 10/14 | 2,726.96 | | ELECTRONIC/ACH DEBIT IRS USATAXPYMT 270968700279339 |
| | 10/16 | 1,131.00 | | ELECTRONIC/ACH DEBIT NC DEPT OF REVEN WHOLDING 4928814001356 |

Withdrawals/Debits: 3

| Balance Activity History | Date | Balance | Collected Balance | Date | Balance | Collected Balance |
|--------------------------|-------|----------|-------------------|-------|----------|-------------------|
| | 10/01 | 212.38 | 212.38 | 10/16 | 259.91 | 259.91 |
| | 10/13 | 3,012.38 | 3,012.38 | 10/20 | 4,871.11 | 4,871.11 |
| | 10/14 | 1,390.91 | 1,390.91 | 10/22 | 3,316.96 | 3,316.96 |

BANK ACCOUNTS

ALL BANK STATEMENTS MUST BE ATTACHED
FOR EACH ACCOUNT. PLEASE REPRODUCE THIS PAGE
AND COMPLETE A SEPARATE PAGE FOR EACH ACCOUNT.
ATTACH BANK STATEMENT TO CORRESPONDING PAGE.

Name of Bank: SONTRUST BANK
Address: P.O. Box 62227
Street and/or P. O. Box Number
ORLANDO FL 32862-2227
City State Zip Code

Type of Account: OPERATING
(i.e., Payroll, Tax, Operating):

Account Number: 10000 9449 32.76

DATE PERIOD BEGINS: 10-1-2009

Ending Balance (per the attached bank statement for this period) \$ 11,866.37

Outstanding Deposits and Other Credits Not On Statement \$ 14,762.29

Outstanding Checks and Other Debits Not On Statement \$ 6,156.97

Ending Reconciled Balance* \$ 7,185.69

DATE PERIOD ENDS: 10-31-2009

Highest Daily Balance During Above Period \$ 19,271.65

* The sum of the ending balances of all accounts must reconcile with the Ending Cash Position on the Cash Receipts and Disbursements page.

11/11/09 at 13:06:41.45

Page: 1

The Hammocks, Inc. LLC
Account Reconciliation
As of Oct 31, 2009
000-1006 - SUNTRUST-GENERAL D/I/P
Bank Statement Date: October 31, 2009

| | | | |
|------------------------------|--------------|---------|-------------|
| Beginning GL Balance | | | 11,004.98 |
| Add: Cash Receipts | | | 44,627.08 |
| Less: Cash Disbursements | | | (37,986.89) |
| Add (Less) Other | | | (10,459.48) |
| Ending GL Balance | | | 7,185.69 |
| Ending Bank Balance | | | 11,866.37 |
| Add back deposits in transit | | | |
| | Oct 30, 2009 | 10-30IM | 568.72 |
| | Oct 31, 2009 | 10-31IM | 907.57 |
| Total deposits in transit | | | 1,476.29 |
| (Less) outstanding checks | | | |
| | Oct 30, 2009 | | (1,174.07) |
| | Sep 28, 2009 | 1369 | (69.00) |
| | Oct 22, 2009 | 1424 | (150.00) |
| | Oct 27, 2009 | 1426 | (4,137.80) |
| | Oct 28, 2009 | 1427 | (478.09) |
| | Oct 30, 2009 | 1428 | (148.01) |
| Total outstanding checks | | | (6,156.97) |
| Add (Less) Other | | | |
| Total other | | | |
| Unreconciled difference | | | 0.00 |
| Ending GL Balance | | | 7,185.69 |

SUNTRUST BANK
P O BOX 622227
ORLANDO FL 32862-2227

Page 1 of 11
36/E00/0175/0 /64
1000094493276
10/31/2009



Account Statement



THE HAMMOCKS LLC DIP
CASE 09 103320
87 RICHMOND HILL DR
ASHEVILLE NC 28806-3912

Questions? Please call
1-800-786-8787

THANK YOU FOR BANKING WITH SUNTRUST. TO LEARN MORE ABOUT HOW SUNTRUST CAN MEET YOUR FINANCIAL SERVICES NEEDS, PLEASE VISIT OUR WEB SITE AT WWW.SUNTRUST.COM

| Account Summary | Account Type | Account Number | Statement Period |
|-----------------|------------------------|----------------|-------------------------|
| | FREE BUSINESS CHECKING | 1000094493276 | 10/01/2009 - 10/31/2009 |

| Description | Amount | Description | Amount |
|--------------------|-------------|------------------------------------|-------------|
| Beginning Balance | \$14,218.26 | Average Balance | \$12,948.57 |
| Deposits/Credits | \$46,708.88 | Average Collected Balance | \$12,787.28 |
| Checks | \$32,319.00 | Number of Days in Statement Period | 31 |
| Withdrawals/Debits | \$16,741.77 | | |
| Ending Balance | \$11,866.37 | | |

| Deposits/ Credits | Date | Amount | Serial # | DEPOSIT | Date | Amount | Serial # | DEPOSIT |
|----------------------|-------|----------|----------|-----------------------|--------------|--------|------------|---------------|
| | 10/21 | 5,000.00 | | | 10/30 | 18.69 | | |
| | 10/01 | 72.48 | | ELECTRONIC/ACH CREDIT | | | | |
| | | | | MERCHANT SERVICE | 8015343539 | | 8015343539 | |
| | 10/01 | 138.78 | | ELECTRONIC/ACH CREDIT | | | | |
| | | | | MERCHANT SERVICE | 8015343539 | | 8015343539 | |
| | 10/01 | 1,917.28 | | ELECTRONIC/ACH CREDIT | | | | |
| | | | | MERCHANT SERVICE | 8015343539 | | 8015343539 | |
| | 10/02 | 710.82 | | ELECTRONIC/ACH CREDIT | | | | |
| | | | | MERCHANT SERVICE | 8015343539 | | 8015343539 | |
| | 10/02 | 21.55 | | CHECK CARD CREDIT | | | | TR DATE 09/29 |
| | | | | THE HOME DEPOT 3625 | ASHEVILLE NC | | | |
| | 10/05 | 1,510.79 | | ELECTRONIC/ACH CREDIT | | | | |
| | | | | MERCHANT SERVICE | 8015343539 | | 8015343539 | |
| | 10/05 | 2,287.90 | | ELECTRONIC/ACH CREDIT | | | | |
| | | | | MERCHANT SERVICE | 8015343539 | | 8015343539 | |
| | 10/06 | 2,438.45 | | ELECTRONIC/ACH CREDIT | | | | |
| | | | | MERCHANT SERVICE | 8015343539 | | 8015343539 | |
| | 10/07 | 82.50 | | ELECTRONIC/ACH CREDIT | | | | |
| | | | | MERCHANT SERVICE | 8015343539 | | 8015343539 | |
| | 10/08 | 2,517.61 | | ELECTRONIC/ACH CREDIT | | | | |
| | | | | MERCHANT SERVICE | 8015343539 | | 8015343539 | |
| | 10/09 | 1,258.86 | | ELECTRONIC/ACH CREDIT | | | | |
| | | | | MERCHANT SERVICE | 8015343539 | | 8015343539 | |
| | 10/13 | 273.78 | | ELECTRONIC/ACH CREDIT | | | | |
| | | | | MERCHANT SERVICE | 8015343539 | | 8015343539 | |
| | 10/13 | 1,018.17 | | ELECTRONIC/ACH CREDIT | | | | |
| | | | | MERCHANT SERVICE | 8015343539 | | 8015343539 | |
| | 10/13 | 1,455.49 | | ELECTRONIC/ACH CREDIT | | | | |
| | | | | MERCHANT SERVICE | 8015343539 | | 8015343539 | |
| | 10/13 | 2,210.01 | | ELECTRONIC/ACH CREDIT | | | | |
| | | | | MERCHANT SERVICE | 8015343539 | | 8015343539 | |
| | 10/14 | 628.60 | | ELECTRONIC/ACH CREDIT | | | | |
| | | | | MERCHANT SERVICE | 8015343539 | | 8015343539 | |
| | 10/15 | 67.84 | | ELECTRONIC/ACH CREDIT | | | | |
| | | | | MERCHANT SERVICE | 8015343539 | | 8015343539 | |

SUNTRUST BANK
P O BOX 622227
ORLANDO FL 32862-2227

Page 2 of 11
36/E00/0175/0 /64
1000094493276
10/31/2009



Account Statement

| Deposits/ Credits | Date | Amount | Serial # | Description | |
|----------------------|-------|----------|----------|-----------------------------|------------|
| | 10/15 | 635.00 | | ELECTRONIC/ACH CREDIT | |
| | | | | MERCHANT SERVICE 8015343539 | 8015343539 |
| | 10/16 | 1,296.97 | | ELECTRONIC/ACH CREDIT | |
| | | | | MERCHANT SERVICE 8015343539 | 8015343539 |
| | 10/19 | 109.88 | | ELECTRONIC/ACH CREDIT | |
| | | | | MERCHANT SERVICE 8015343539 | 8015343539 |
| | 10/19 | 3,146.05 | | ELECTRONIC/ACH CREDIT | |
| | | | | MERCHANT SERVICE 8015343539 | 8015343539 |
| | 10/19 | 4,006.60 | | ELECTRONIC/ACH CREDIT | |
| | | | | MERCHANT SERVICE 8015343539 | 8015343539 |
| | 10/20 | 878.55 | | ELECTRONIC/ACH CREDIT | |
| | | | | MERCHANT SERVICE 8015343539 | 8015343539 |
| | 10/21 | 1,432.11 | | ELECTRONIC/ACH CREDIT | |
| | | | | MERCHANT SERVICE 8015343539 | 8015343539 |
| | 10/22 | 1,024.73 | | ELECTRONIC/ACH CREDIT | |
| | | | | MERCHANT SERVICE 8015343539 | 8015343539 |
| | 10/23 | 932.49 | | ELECTRONIC/ACH CREDIT | |
| | | | | MERCHANT SERVICE 8015343539 | 8015343539 |
| | 10/26 | 360.62 | | ELECTRONIC/ACH CREDIT | |
| | | | | MERCHANT SERVICE 8015343539 | 8015343539 |
| | 10/26 | 1,466.66 | | ELECTRONIC/ACH CREDIT | |
| | | | | MERCHANT SERVICE 8015343539 | 8015343539 |
| | 10/26 | 1,603.03 | | ELECTRONIC/ACH CREDIT | |
| | | | | MERCHANT SERVICE 8015343539 | 8015343539 |
| | 10/26 | 2,857.60 | | ELECTRONIC/ACH CREDIT | |
| | | | | MERCHANT SERVICE 8015343539 | 8015343539 |
| | 10/28 | 2,274.07 | | ELECTRONIC/ACH CREDIT | |
| | | | | MERCHANT SERVICE 8015343539 | 8015343539 |
| | 10/29 | 525.24 | | ELECTRONIC/ACH CREDIT | |
| | | | | MERCHANT SERVICE 8015343539 | 8015343539 |
| | 10/30 | 529.68 | | ELECTRONIC/ACH CREDIT | |
| | | | | MERCHANT SERVICE 8015343539 | 8015343539 |

Deposits/Credits: 35

Total Items Deposited: 1

| Checks | Check Number | Amount | Date Paid | Check Number | Amount | Date Paid | Check Number | Amount | Date Paid |
|--------|-----------------|----------|--------------|-----------------|----------|--------------|-----------------|----------|--------------|
| | 1293 | 82.43 | 10/06 | 1383 | 894.48 | 10/09 | 1404 | 764.12 | 10/27 |
| | *1339 | 90.00 | 10/01 | 1384 | 480.67 | 10/15 | 1405 | 15.00 | 10/23 |
| | *1343 | 101.07 | 10/01 | 1385 | 638.20 | 10/13 | 1406 | 547.19 | 10/28 |
| | *1346 | 412.75 | 10/14 | 1386 | 613.59 | 10/13 | 1407 | 1,097.58 | 10/23 |
| | *1354 | 698.66 | 10/06 | 1387 | 850.10 | 10/13 | 1408 | 602.75 | 10/28 |
| | *1357 | 482.92 | 10/15 | 1388 | 438.50 | 10/09 | 1409 | 604.13 | 10/26 |
| | *1366 | 496.94 | 10/02 | 1389 | 260.51 | 10/28 | 1410 | 463.14 | 10/23 |
| | 1367 | 39.06 | 10/06 | 1390 | 991.85 | 10/09 | 1411 | 710.33 | 10/27 |
| | *1370 | 850.72 | 10/01 | 1391 | 660.14 | 10/09 | 1412 | 1,030.05 | 10/26 |
| | 1371 | 1,025.00 | 10/01 | 1392 | 557.60 | 10/09 | 1413 | 420.27 | 10/23 |
| | 1372 | 45.00 | 10/14 | 1393 | 380.00 | 10/16 | 1414 | 585.14 | 10/23 |
| | 1373 | 42.50 | 10/02 | 1394 | 1,518.13 | 10/19 | 1415 | 891.26 | 10/26 |
| | 1374 | 613.89 | 10/05 | 1395 | 120.20 | 10/16 | 1416 | 296.83 | 10/23 |
| | 1375 | 149.35 | 10/05 | 1396 | 1,163.80 | 10/19 | 1417 | 187.93 | 10/28 |
| | 1376 | 529.57 | 10/13 | 1397 | 250.00 | 10/21 | 1418 | 991.85 | 10/23 |
| | 1377 | 791.28 | 10/13 | 1398 | 668.92 | 10/26 | 1419 | 1,057.26 | 10/26 |
| | 1378 | 1,097.58 | 10/09 | 1399 | 175.00 | 10/16 | 1420 | 245.00 | 10/29 |
| | 1379 | 656.36 | 10/14 | 1400 | 70.00 | 10/16 | 1421 | 117.54 | 10/27 |
| | 1380 | 622.76 | 10/13 | 1401 | 118.20 | 10/19 | 1422 | 105.00 | 10/29 |
| | 1381 | 503.31 | 10/09 | 1402 | 208.00 | 10/16 | 1423 | 175.00 | 10/27 |
| | 1382 | 779.14 | 10/16 | 1403 | 118.45 | 10/20 | *1425 | 125.00 | 10/29 |

Checks: 63

*Break in check sequence

SUNTRUST BANK
P O BOX 622227
ORLANDO FL 32862-2227

Page 3 of 11
36/E00/0175/0 /64
1000094493276
10/31/2009



Account Statement

| Withdrawals/ Debits | Date Paid | Amount | Serial # | Description |
|------------------------|--------------|----------|----------|--|
| | 10/01 | 1,101.44 | | ELECTRONIC/ACH DEBIT MERCHANT SERVICE 8015343539 8015343539 |
| | 10/02 | 24.81 | | ELECTRONIC/ACH DEBIT AUTHNET GATEWAY BILLING 17034836 |
| | 10/02 | 83.08 | | ELECTRONIC/ACH DEBIT NW TRUST CONTRIB 065-80547 |
| | 10/02 | 83.08 | | ELECTRONIC/ACH DEBIT NW TRUST CONTRIB 065-80547 |
| | 10/02 | 83.08 | | ELECTRONIC/ACH DEBIT NW TRUST CONTRIB 065-80547 |
| | 10/02 | 35.41 | | CHECK CARD PURCHASE TR DATE 09/29 THE HOME DEPOT 3625 ASHEVILLE NC |
| | 10/02 | 68.91 | | CHECK CARD PURCHASE TR DATE 09/29 THE HOME DEPOT 3625 ASHEVILLE NC |
| | 10/05 | 346.40 | | ELECTRONIC/ACH DEBIT MERCHANT SERVICE 8015343539 8015343539 |
| | 10/05 | 604.41 | | ELECTRONIC/ACH DEBIT GOOGLE ADWORDS 8956652 |
| | 10/05 | 24.53 | | CHECK CARD PURCHASE TR DATE 10/01 EBLEN SHORT STOP #2Q39 ASHEVILLE NC |
| | 10/13 | 2,800.00 | | ONLINE BANKING TRANSFER TO 0175 1000094493284 |
| | 10/13 | 83.08 | | ELECTRONIC/ACH DEBIT NW TRUST CONTRIB 065-80547 |
| | 10/13 | 299.03 | | ELECTRONIC/ACH DEBIT MERCHANT SERVICE 8015343539 8015343539 |
| | 10/13 | 38.41 | | CHECK CARD PURCHASE TR DATE 10/08 THE HOME DEPOT 3625 ASHEVILLE NC |
| | 10/13 | 66.07 | | CHECK CARD PURCHASE TR DATE 10/10 THE HOME DEPOT 3645 ASHEVILLE NC |
| | 10/14 | 1,131.00 | | ONLINE BANKING TRANSFER TO 0175 1000094493284 |
| | 10/14 | 45.62 | | CHECK CARD PURCHASE TR DATE 10/11 THE HOME DEPOT 3625 ASHEVILLE NC |
| | 10/16 | 11.11 | | CHECK CARD PURCHASE TR DATE 10/14 USPS 36030703032302663 ASHEVILLE NC |
| | 10/16 | 28.00 | | CHECK CARD PURCHASE TR DATE 10/14 DOT DMV/VEH REG INT 919-715-7000 NC |
| | 10/19 | 535.93 | | ELECTRONIC/ACH DEBIT GOOGLE ADWORDS 0027342 |
| | 10/19 | 649.83 | | ELECTRONIC/ACH DEBIT MERCHANT SERVICE 8015343539 8015343539 |
| | 10/19 | 22.28 | | CHECK CARD PURCHASE TR DATE 10/14 INGLES #2 ASHEVILLE NC |
| | 10/19 | 27.81 | | CHECK CARD PURCHASE TR DATE 10/15 THE HOME DEPOT 3625 ASHEVILLE NC |
| | 10/19 | 51.41 | | CHECK CARD PURCHASE TR DATE 10/14 RITE AID STORE #11568 ASHEVILLE NC |
| | 10/20 | 4,611.20 | | ONLINE BANKING TRANSFER TO 0175 1000094493284 |
| | 10/21 | 3,057.05 | | ELECTRONIC/ACH DEBIT NC DEPT OF REVEN SALES&USE 4929314003779 |
| | 10/22 | 94.34 | | CHECK CARD PURCHASE TR DATE 10/20 INTERNATIONAL GREENHOUSE 217-4430600 IL |
| | 10/23 | 285.00 | | CHECK CARD PURCHASE TR DATE 10/20 RESERVATION NEXUS 801-6231796 UT |
| | 10/26 | 324.00 | | ELECTRONIC/ACH DEBIT MERCHANT SERVICE 8015343539 8015343539 |
| | 10/26 | 15.99 | | CHECK CARD PURCHASE TR DATE 10/23 LOWES #00617* ASHEVILLE NC |
| | 10/26 | 40.06 | | CHECK CARD PURCHASE TR DATE 10/23 THE HOME DEPOT 3625 ASHEVILLE NC |
| | 10/30 | 69.40 | | CHECK CARD PURCHASE TR DATE 10/28 AAC BUILDING MATERIALS ASHEVILLE NC |

Withdrawals/Debits: 32



Account Statement

| Balance Activity History | Date | Balance | Collected Balance | Date | Balance | Collected Balance |
|--------------------------|-------|-----------|-------------------|-------|-----------|-------------------|
| | 10/01 | 13,178.57 | 13,178.57 | 10/19 | 13,790.19 | 13,790.19 |
| | 10/02 | 12,993.13 | 12,993.13 | 10/20 | 9,939.09 | 9,939.09 |
| | 10/05 | 15,053.24 | 15,053.24 | 10/21 | 13,064.15 | 8,064.15 |
| | 10/06 | 16,671.54 | 16,671.54 | 10/22 | 13,994.54 | 13,994.54 |
| | 10/07 | 16,754.04 | 16,754.04 | 10/23 | 10,772.22 | 10,772.22 |
| | 10/08 | 19,271.65 | 19,271.65 | 10/26 | 12,428.46 | 12,428.46 |
| | 10/09 | 15,387.05 | 15,387.05 | 10/27 | 10,661.47 | 10,661.47 |
| | 10/13 | 13,012.41 | 13,012.41 | 10/28 | 11,337.16 | 11,337.16 |
| | 10/14 | 11,350.28 | 11,350.28 | 10/29 | 11,387.40 | 11,387.40 |
| | 10/15 | 11,089.53 | 11,089.53 | 10/30 | 11,866.37 | 11,866.37 |
| | 10/16 | 10,615.05 | 10,615.05 | | | |

Complete this section to balance this statement to your transaction register.

Month _____ Year _____

| | |
|--|-----------|
| Bank Balance Shown on statement | \$ |
|--|-----------|

Add (+) \$ _____
Deposits not shown on this
statement (if any). _____

Total (+) \$ _____

Checks and other items outstanding but not paid on this statement (if any).

[illegible]

Total (-) \$

Balance \$

These balances should agree

Your Transaction

Register Balance \$

Add (+) \$ _____
Other credits shown on
this statement but not
in transaction register. _____

Add (+) \$ _____

Interest paid (for use in balancing interest-bearing accounts only).

Total (+) \$

Subtract (-) Other debits shown on this statement but not in transaction register.

| | |
|-----------------------|----|
| Service Fees (if any) | \$ |
| | |
| | |
| | |

| | |
|------------------|-----------|
| Total (-) | \$ |
|------------------|-----------|

| | |
|----------------|-----------|
| Balance | \$ |
|----------------|-----------|

In Case Of Errors Or Questions About Your Electronic Transfers:

If you think your statement or receipt is wrong or if you need more information about an electronic transfer, please contact us at the telephone number or address on this statement within 60 days of the statement on which the problem first appeared. Please give us your name and account number, describe the transaction (date, place/type, amount), and explain your concern. We will investigate and correct any error promptly. For your convenience, we will provisionally credit your account for the amount in question if we take more than 10 business days for point-of-sale transactions or foreign-initiated transfers, 5 business days for SunTrust Check Card Visa merchant transactions or 20 business days for errors that occur within the first 30 days the account is open to complete our investigation.

BANK ACCOUNTS

ALL BANK STATEMENTS MUST BE ATTACHED
FOR EACH ACCOUNT. PLEASE REPRODUCE THIS PAGE
AND COMPLETE A SEPARATE PAGE FOR EACH ACCOUNT.
ATTACH BANK STATEMENT TO CORRESPONDING PAGE.

Name of Bank: CAROLINA FIRST

Address: 200 CONNELL STREET
Street and/or P. O. Box Number

Asheville NC 28806
City State Zip Code

Type of Account:
(i.e., Payroll, Tax, Operating): NEW D/I/P OPERATING

Account Number: 7102489680

DATE PERIOD BEGINS: 10-1-2009

Ending Balance (per the attached
bank statement for this period) \$ (14,497.48)

Outstanding Deposits and Other
Credits Not On Statement \$ 0

Outstanding Checks and Other
Debits Not On Statement \$ 0

Ending Reconciled Balance* \$ (14,497.48)

DATE PERIOD ENDS: 10-31-2009

Highest Daily Balance
During Above Period \$ (14,497.48)

* The sum of the ending balances of all accounts must reconcile with the Ending Cash Position on the Cash Receipts and Disbursements page.

11/11/09 at 13:01:04.59

Page: 1

The Hammocks, Inc. LLC
Account Reconciliation
As of Oct 31, 2009
000-1004 - CAROLINA FIRST-GENERAL
Bank Statement Date: October 31, 2009

| | |
|------------------------------|-------------|
| Beginning GL Balance | (14,372.48) |
| Add: Cash Receipts | |
| Less: Cash Disbursements | |
| Add (Less) Other | (125.00) |
| Ending GL Balance | (14,497.48) |
| Ending Bank Balance | (14,497.48) |
| Add back deposits in transit | |
| Total deposits in transit | |
| (Less) outstanding checks | |
| Total outstanding checks | |
| Add (Less) Other | |
| Total other | |
| Unreconciled difference | 0.00 |
| Ending GL Balance | (14,497.48) |



7102489680 23 I

THE HAMMOCKS LLC
DBA RICHMOND HILL INN
87 RICHMOND HILL DRIVE
ASHEVILLE NC 28806

September 30, 2009 - October 31, 2009 Account Number 7102489680 Page 1 of 1
No enclosures

FREE BUSINESS CHECKING

Summary

7102489680

| Previous Balance | + Deposits Credits | - Checks Debits | - Service Charges | + Interest Credits | New Balance |
|---------------------|--------------------------|-----------------------|-------------------------|--------------------------|----------------|
| -14,372.48 | 0.00 | 125.00 | 0.00 | 0.00 | -14,497.48 |

31 Days in Statement Period

Described Debits

| Date | Description | Amount |
|------------------------|----------------------|----------|
| 10-02 | WEEKLY OVERDRAFT FEE | 25.00 |
| 10-09 | WEEKLY OVERDRAFT FEE | 25.00 |
| 10-16 | WEEKLY OVERDRAFT FEE | 25.00 |
| 10-23 | WEEKLY OVERDRAFT FEE | 25.00 |
| 10-30 | WEEKLY OVERDRAFT FEE | 25.00 |
| Total Described Debits | | \$125.00 |

Daily Balance Summary

| Date | Balance | Date | Balance |
|-------------------------|------------|----------------------|------------|
| 09-30 Beginning Balance | -14,372.48 | 10-16 | -14,447.48 |
| 10-02 | -14,397.48 | 10-23 | -14,472.48 |
| 10-09 | -14,422.48 | 10-30 Ending Balance | -14,497.48 |

SALES/ACCOUNTS RECEIVABLE

I. Accounts Receivable Pending As of: 10-31-2009
(Date of Reporting Period)

II. Sales (gross) During Reporting Period: 51,436.90

III. Collections of Accounts Receivable During Reporting Period: \$ 39,627.08

IV. New Accounts Receivables Generated During Reporting Period: \$ 334.20

| Pending Pre & Post Petition | Total | Collectible | Uncollectible |
|-----------------------------|------------|-------------|---------------|
| 0-30 DAYS | \$ 334.20 | \$ 334.20 | \$ |
| 31-60 DAYS | \$ 77.04 | \$ 77.04 | \$ |
| 61-90 DAYS | \$ 556.54 | \$ 300.00 | \$ 256.54 |
| 91-120 DAYS | \$ 1042.44 | \$ | \$ 1042.44 |
| 120 DAYS AND OVER | \$ 1032.05 | \$ | \$ 1032.05 |
| TOTAL | \$ 3042.27 | \$ 711.24 | \$ 2331.03 |

INVENTORY (Cost Basis)

Beginning Date: _____ Ending Date: _____

LIST BY CATEGORY OF INVENTORY USED FOR PRODUCTION OR RESALE*:

| CATEGORY | BEGINNING | USED | ADDED | ADJUSTED | ENDING |
|----------|-----------|------|-------|----------|--------|
| | \$ | \$ | \$ | \$ | \$ |
| | \$ | \$ | \$ | \$ | \$ |
| | \$ | \$ | \$ | \$ | \$ |
| | \$ | \$ | \$ | \$ | \$ |
| | \$ | \$ | \$ | \$ | \$ |
| TOTALS | \$ | \$ | \$ | \$ | \$ |

*Exclude capital items such as machinery and equipment and consumable items such as fuel and general supplies

SALARY/COMMISSION/INDEPENDENT CONTRACTOR PAYMENTS

Insiders* (List name(s) and describe type of insider):

| NAME | TYPE | AMOUNT PAID |
|------|------|-------------|
| | | \$ |
| | | \$ |
| | | \$ |
| | | \$ |
| | | \$ |
| | | \$ |

Non-Insider Employees

Type (i.e., Salaried, Wage)

| | AMOUNT PAID |
|----------|--------------|
| SALARIED | \$ 7,953.84 |
| WAGE | \$ 10,745.35 |
| | \$ |
| | \$ |

Commission/Bonus Payments:

| | |
|--|----|
| | \$ |
| | \$ |
| | \$ |
| | \$ |

Independent Contractors:

| NAME | TYPE | AMOUNT PAID |
|----------------|----------|-------------|
| DANA KENDALL | MASSEUSE | \$ 350.00 |
| KAREN HARDISON | MASSEUSE | \$ 70.00 |
| KATHY PERRY | MASSEUSE | \$ 105.00 |
| | | \$ |

Total Salary/Wage/Commission/
Payments

\$ 28,220.19

* "Insider" is defined in 11U.S.C.
Sec101(31)

ACCRUED POST-PETITION LIABILITIES

No accrued liabilities existed at the end of this reporting period.

All accrued liabilities existing at the end of this reporting period are listed below or on the sheet (s) attached. Exclude current liabilities which are NOT past due

| NAME OF CREDITOR | DUE DATE | AMOUNT DUE |
|-------------------------------|---------------|------------|
| Asheville Elevator | 9-30-2009 | \$ 170.00 |
| CHARTER | 9-18-2009 | 776.70 |
| CHARTER | 10-18-2009 | 369.67 |
| CITY ASHEVILLE-WATER | 10-22-2009 | 2842.77 |
| CURBSIDE | 10-1-2009 | 90.00 |
| DELTACOM | 8-17-2009 | 1347.67 |
| ENMARK | 10-20-2009 | 265.96 |
| ERVIN LEASING | 10-20-2009 | 1067.16 |
| FRANK RICE JR | 9-30-2009 | 199.50 |
| MT FOOD | 9-30-2009 | 573.20 |
| PRICES ENERGY | | |
| PSNC ENERGY | 10-20-2009 | 803.41 |
| SOUTHERN FOODS | 10-23-2009 | 1257.47 |
| THYSSENKRUPP | APRIL/JULY 09 | 1053.2 |
| WEBB CHEMICAL | JULY/SEPT 09 | 559.96 |
| YELLOW BOOK USA | APRIL/JULY 09 | 833.06 |
| | | |
| TAXES | | |
| SALES TAX - OCT 09 | 11-20-2009 | 3834.32 |
| Room TAX - OCT 09 | 11-20-2009 | 1901.23 |
| STATE WITH - OCT 09 | 11-15-2009 | 525.00 |
| FEDERAL PAYROLL-PP/E 10-18-09 | | 1871.54 |
| PAID 10-23-09 | 10-28-09 | |
| SUTA - OCT 09 | 1-31-2010 | 281.45 |
| | | |
| | | |
| | | |
| | | |

Total Accrued Liabilities

\$ 20,585.27

AFFIRMATIONS

1. Yes ☐ No ☒ All tangible assets of this bankruptcy estate are adequately and properly insured and all other insurance required by law or prudent business judgment are in force.
2. Yes ☒ No ☐ All insurance policies and renewals if applicable, have been submitted to the Bankruptcy Administrator.
3. Yes ☒ No ☐ All tax returns have been filed timely and payments made. Copies of returns have been filed post-petition have been submitted to the Bankruptcy Administrator.
4. Yes ☐ No* ☒ All post-petition taxes have been paid or deposited into a designated tax account.
5. Yes ☒ No ☐ New Debtor-In-Possession (DIP) bank accounts have been opened and have been reconciled.
6. Yes ☒ No ☐ New DIP financial books and records have been opened and are being maintained monthly and are current.

* If the response is "no", a listing must appear on the Accrued Post-Petition Liabilities sheet. The listing must include the name of the taxing authority, type of tax, the amount due and the period the tax was incurred.

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF NORTH CAROLINA**

| | | |
|-------------------------|---|--------------------------------|
| IN RE: |) | 09-10332/Chapter 11 Proceeding |
| |) | |
| THE HAMMOCKS, LLC d/b/a |) | CERTIFICATE OF SERVICE |
| Richmond Hill Inn,, |) | |
| |) | |
| Debtor. |) | |


The undersigned certifies that copy of Monthly Status Report for the month of October, 2009 has been served by first class mail in a properly addressed envelope with adequate postage affixed on each of the following parties:

Bankruptcy Administrator
402 West Trade Street, Room 200
Charlotte NC 28202-1669

Internal Revenue Service
320 Federal Place
Greensboro NC 27401

Securities & Exchange Commission
Atlanta Regional Office
3475 Lenox Road, Ste. 1000
Atlanta GA 30326-1232

This the 27th day of November, 2009.



David G. Gray, Attorney for Debtor/D.I.P.
N. C. State Bar No. 1733

WESTALL, GRAY, CONNOLLY & DAVIS, P.A.
81 Central Avenue
Asheville, North Carolina 28801
Tel: (828) 254-6315
Fax: (828) 255-0305